

REMARKS

The Examiner has rejected Claims 1-28 under 35 U.S.C. §103(a) as being unpatentable over Hawkins et al. (U.S. Patent No. 5,497,2317) and Sandhu et al. (U.S. Patent No. 6,347,307) in view of each other. Applicant respectfully requests that the Examiner reconsider these rejections in view of the following Remarks.

The present invention is directed to an apparatus and method for facilitating the processing and settlement of an already executed securities trade. The apparatus and method compares trade execution information received from one trading party with trade order information received from a second trading party and determines that a match exists if block level trade execution information and block level trade order information correlate within a set of predefined acceptable trade parameters. Before making such a comparison, however, the apparatus and method determines the block level trade execution information based upon the received trade execution information and determines the block level trade order information based upon the received trade order information. In accordance with the system and method of the present invention, it is such block level trade execution information and block level trade order information which is *compared* to determine whether or not a match exists.

Applicant respectfully submits that none of the cited prior art, nor any prior art of which Applicant is aware, discloses, teaches or suggests these limitations.

The system disclosed in Hawkins et al. operates in a completely different manner than does the present invention as claimed. The system of Hawkins et al. receives an ordered trade form from an ordering broker and automatically fills in a transaction field 408 of the ordered trade form with a numeric ID specific to the particular transaction. (See column 13, lines 46-47). The order is then

transmitted to the executing broker, who, after executing the order, fills in an executed trade form. The system receives this executed trade form and automatically fills in a transaction field 610 of the executed trade form with a numeric ID specific to the particular transaction. (See column 14, lines 23-24). If the order was placed manually (i.e., outside the system), the executed trade form may be generated first, transmitted to the ordering broker, and then the ordered trade form completed. (See column 11, lines 48-56). However, in either event, the ordered trade form and the executed trade form must be entered sequentially.

Sandhu et al. discloses a system and method that enables members to engage in capital market transactions and interactively communicate via the Internet. The system includes a variety of servers, applications, and interfaces that enable users to interactively communicate and trade financial instruments among one another, and to manage their portfolios. Interactive communications supported by the system include: requesting price quotes, monitoring and reviewing quote requests, issuing price quotes, monitoring and reviewing price quotes, negotiation between users, acceptance of price quotes, reporting, portfolio management, analysis of financial information and market data, calendaring, and communications among users and/or system administrators, including e-mail, chat, and message boards. However, there is no disclosure, teaching or suggestion of any trade settlement matching even remotely similar to the claimed matching process.

Applicant respectfully submits that there are several elements of the present invention as claimed that are not disclosed, taught or suggested by the two cited references, either alone or in combination.

As mentioned above, the apparatus and method of the present invention as claimed compares trade execution information received from one trading party with trade order information received from a second trading party and determines that a match exists if the block level trade execution information and the block level trade order information correlate within a set of predefined acceptable trade parameters. The determination of the block level information and the comparison thereof provides a number of significant benefits, as described in detail in the current application in paragraphs [0029] - [0032]. Specifically, it should be recognized that the trade execution information and the trade allocation information may be submitted in a number of ways. For example, the information may be submitted at a block level (i.e., at a trade level) with the associated allocation level (i.e., showing the contract detail for the trade) being submitted therewith, or the information may be submitted at the allocation level only. This variation in submission format can clearly complicate the matching processes.

The Examiner cites Hawkins et al. as disclosing "software executing on said computer for determining block level trade information" for both the ordering party and executing party. While Applicant acknowledges that Hawkins et al. states that "if funds A, B, and C managed by a single institution all wish to buy 10,000 shares of XYZ Corp. stock, then the institution will place a single buy order with a particular broker for a block of 30,000 shares of XYZ Corp. stock" (see col.6 ll. 67 to col. 7 ll. 4), Applicant respectfully submits that even assuming that this teaches "block level trade information" as claimed there is no disclosure, teaching or suggestion whatsoever in Hawkins et al. that this "block level trade information" is what is compared to determine that a match exists. Moreover, there is nothing in Hawkins et al. that discloses, teaches or suggests in any way that a determination is made that a match exists if the block level trade information correlates within a set of predefined acceptable trade parameters. Instead, as discussed in more detail above, Hawkins et al. relies upon a

sequential exchange of messages, not any sort of matching of block level trade information.

The Examiner also asserts that an artisan of ordinary skill in the art at the time of the invention would have been motivated to substitute the interactive servers in Sandhu et al. for the central database in Hawkins et al. as an alternative communications link between the system and users. However, even if such were true, the resulting combination would not disclose, teach or suggest the present invention as claimed. This is true because, like Hawkins et al., Sandhu et al. does not disclose, teach or suggest in any way comparing trade execution information received from one trading party with trade order information received from a second trading party and determining that a match exists if the block level trade execution information and the block level trade order information correlate within a set of predefined acceptable trade parameters.

As such, even if Hawkins et al. and Sandhu et al. were combined, the resulting apparatus or method would not include all elements required by any claim, since both references fail to disclose, teach or suggest in any way the above-highlighted elements of all claims. Rather, the result of such a combination would be the sequential message based settlement system of Hawkins et al. incorporating the interactive servers of Sandhu et al. Appellants respectfully submit that this is not even close to what is claimed.

As neither Hawkins et al. nor Sandhu et al., either alone or in combination, discloses, teaches or suggests each of the elements required by all claims, Applicants respectfully submit that there is no basis for a rejection under 35 U.S.C. §103(a).

For the foregoing reasons, Applicant respectfully submits that all pending claims, namely Claims 1-28, are patentable over the references of record, and earnestly solicits allowance of the same.

Respectfully submitted,



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Amendments to the Drawings:

No amendments are made to the Drawings herein.